

**NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY
PERMANENT TAKE-OUT FINANCING
DOCUMENT CHECKLIST**

The Agency intends to provide financing for this project through the sale of taxable, tax-exempt bonds or any other funds available to the Agency. The requirements listed in Section I of this checklist must be satisfied prior to Declaration of Intent. The requirements listed in Section II of this checklist must be satisfied prior to a Mortgage Commitment. And the requirements in Section III of this checklist must be satisfied prior to the inclusion in a bond issue.

**** If this project intends to receive financing for this project through additional Agency or Agency administered programs, additional requirements are noted on the attached list of program requirements that is hereby made a part of the Project Document Checklist. Additional requirements specific to the project may also be attached.**

Closing Targeting Schedule**

Targeted Closing Date:	
DOI Board Meeting Date	
Commitment Board Meeting Date	
Bond Documents Board Meeting Date	

Please keep in mind that this is a targeted schedule that is meant to assist you in reaching your closing goal. These dates are subject to change.

**Other Agency Financing: 1.	<i>Date Closed:</i>
2.	<i>Date Closed:</i>
3.	<i>Date Closed:</i>

DATE LAST UPDATED:

PROJECT NAME:

HMFA PROJECT NUMBER:

Project Address:

Block:

Lot:

of Units:

of Beds (SN):

Type of Tax Credits:

Set Aside:

Const. Period:

Population:

COMMITMENT EXPIRATION DATE:

PARALEGAL:

Phone #:

Fax #:

e-mail:

DAG:

Phone #:

Fax #:

e-mail:

MULTIFAMILY CREDIT OFFICER:

Phone #:

Fax #:

e-mail:

This memorandum contains advisory, consultative and deliberative material and is intended only for the person(s) named as recipient(s).

Revised May 12, 2016 (MR)

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SPECIAL NEEDS DEVELOPMENT OFFICER:

Phone #: **Fax #:** **e-mail:**

GREEN OFFICE CONTACT:

Phone #: **Fax #:** **e-mail:**

SPONSORING ENTITY/BORROWER:

Contact Person:

Address:

City, State, Zip:

Phone#: **Fax #:** **e-mail:**

CONSULTANT (If applicable):

Address:

City, State, Zip:

Phone #: **Fax #:** **e-mail:**

OWNER: (If different than borrowing entity) (SELLER)

Contact Person:

Address:

City, State, Zip:

Phone#: **Fax #:** **e-mail:**

GENERAL PARTNER:

LIMITED PARTNER:

BORROWER'S ATTORNEY:

Address:

City, State, Zip:

Phone#: **Fax #:** **e-mail:**

ARCHITECT:

Address:

City, State, Zip:

Phone #: **Fax #:** **e-mail:**

GENERAL CONTRACTOR:

Address:

City, State, Zip:

Phone #: **Fax #:** **e-mail:**

MANAGING AGENT:

Address:

City, State, Zip:

Phone #: **Fax #:** **e-mail:**

SOCIAL SERVICE PROVIDER (if Special Needs project)

Address:

City, State, Zip:

Phone #: **Fax #:** **e-mail:**

ACCOUNTANT:

Address:

City, State, Zip:

Phone #:

Fax#: e-mail:

OTHER:

Address:

City, State, Zip:

Phone #:

Fax #:

e-mail:

PLEASE NOTE: Documents consisting of more than ten (10) pages will not be accepted in PDF format by electronic transmittal. Please send hard copies of documents consisting of more than ten (10) pages.

Code to Document Requirements:

A - Document Received and Approved

NA - Not Applicable

R - Document Received and either (1) Under review or (2) Requires modification or update as indicated

** - An asterisk indicates that a New Jersey Housing and Mortgage Financing Agency form document must be used. Many forms are available on the NJHMFA website: www.state.nj.us/dca/hmfa.*

Date - List date document was received. Once document is approved, replace this date with the date in which the document was approved.

Status - If document was not yet received, give a status of why document was not yet submitted. If document was received ("R"), then give the status of the approval process.

All items are required to be submitted by the sponsoring team unless otherwise noted.

I. REQUIREMENTS FOR DECLARATION OF INTENT

SPONSOR:

____ UNIP Application* *(For Special Needs projects, the population to be served plus the service provider must be clearly identified in the application.)*
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Project Narrative, including Overview of Scope of Work *(For any additional Agency financing programs, refer to program specific checklist for additional Project Narrative requirements.)*

For Special Needs projects, refer to Special Needs Program document checklist requirements.

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Preliminary Proforma/Cash Flow (Agency Form 10)*

(Date Received _____) (Date Approved _____)

STATUS: _____

___ General Site Location Map and Directions

(Date Received _____) (Date Approved _____)

STATUS: _____

___ Resume for Sponsor

(Date Received _____) (Date Approved _____)

STATUS: _____

___ Evidence of Site Control

___ Deed

___ Option Agreement

___ Contract of Sale

___ Redevelopment Agreement

___ Ground Lease or Option to Enter into Ground Lease

___ Condominium Requirements, if applicable

___ Condominium Association By-laws

___ Master Deed

___ Certificate of Formation of Condominium Association

___ Other

(Date Received _____) (Date Approved _____)

STATUS: _____

___ Resolution of Need from Municipality* (may be included in municipal resolution granting payments in lieu of taxes) (***Not applicable for projects with an existing Agency mortgage loan being refinanced under the Preservation Loan program. Resolution IS required for all other Preservation Loan projects not currently in the Agency's portfolio.) (Not required for Special Needs projects, unless required by another Agency funding source.)***)

(Date Received _____) (Date Approved _____)

STATUS: _____

CONSTRUCTION DOCUMENTS:

___ Preliminary Drawings

(Date Received _____) (Date Approved _____)

STATUS: _____

NJHMF A (All documents in this section will be prepared by NJHMF A):

___ Site Inspection Report

(Date Received _____) (Date Approved _____)

STATUS: _____

___ Board Resolution for Declaration of Intent

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Declaration of Intent Letter
(Date Received _____) (Date Approved _____)
STATUS: _____

II. REQUIREMENTS FOR MORTGAGE COMMITMENT

PLEASE NOTE: THE **TECHNICAL SERVICES (GREEN HIGHLIGHTS)** & **INSURANCE DIVISIONS (BLUE HIGHLIGHTS)** SHOULD BE SUBMITTED TO **TECHNICAL SERVICES & INSURANCE DIVISIONS DIRECTLY**. PLEASE NOTE THE DIVISIONS WILL NOT BEGIN REVIEW UNTIL ALL DOCUMENTS NOTED WITH SPECIFIED COLOR HIGHLIGHTS HAVE BEEN SUBMITTED IN COMPLETED FORM. IN THE CASE **WHERE BOTH TECHNICAL SERVICES & INSURANCE DIVISIONS REQUIRE SAME, THEY WILL BE NOTED IN YELLOW HIGHLIGHTS.**

SPONSOR:

____ Formation Certificate for Sponsor/Borrower and Managing Entity, as applicable
(Advise NJHMFA prior to formation if contemplating an Urban Renewal entity
N.J.S.A. 40A:20-1 et seq)
____ Certificate of Limited Partnership
____ Certificate of Formation (Limited Liability Company)
____ Certificate of Incorporation (required for a corporate sponsor and for any
corporate general partner or managing member and for any corporate limited
partner assigning syndication proceeds)
____ Certificate of Formation for Managing Member
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Corporate Certification and Questionnaire*, as applicable
____ Sponsoring Entity/Borrower
____ General Partner (Limited Partnership)
____ Managing Member
____ Other entity owning 10% or greater interest in sponsoring entity
____ Updating Affidavit for Questionnaire, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Personal Questionnaire for Directors and Officers of Sponsoring Entity/Borrower,
Individuals Serving as General Partner or Managing Member, and any individual
owning 10% or greater interest in sponsoring entity, or in the General Partner or
Managing member entity/Borrower* **(For non-profit entities controlled by a Board of
Directors, Personal Questionnaires should be provided for any officer of the Board.)**
____ Updating Affidavit for Questionnaire, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Criminal Background Check for Directors and Officers of Sponsoring Entity/Borrower,
Individuals Serving as General Partner or Managing Member, and any individual
owning 10% or greater interest in sponsoring entity or in the General Partner or
Managing member entity/Borrower* **(Any individual submitting a Personal**

Questionnaire must submit a Criminal Background Check. For non-profit entities controlled by a Board of Directors, Criminal Background checks should be provided for any officer of the Board.)

(Search Results are valid for 18 months from date received.)

(Date Received _____) (Date Approved _____)

STATUS: _____

Environmental Preliminary Assessment Report (Phase I) (pursuant to N.J.A.C. 7:26E-3.2)

In addition, the following are required for existing structures:

_____ Lead Based Paint Report/Removal Plan

_____ Asbestos Containing Materials Report/Remediation Plan

_____ Radon Testing/Remediation Plan

(Date Received _____) (Date Approved _____)

STATUS: _____

Environmental Report (Phase II), (pursuant to N.J.A.C. 7:26E-3.3) (If applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

Resolution Granting Preliminary AND/OR Final Site Plan Approval, Subdivision and Any Zoning Variances from Municipality and County, if applicable. For Special Needs projects, refer to Special Needs Program document checklist requirements.

(Date Received _____) (Date Approved _____)

STATUS: _____

Street Vacation Ordinances (Resolution with Proof of Publication), (if applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

Municipal Resolution Granting Payments in Lieu of Taxes*, (If applicable)

_____ Agency statute is N.J.S.A. 55:14K-37.

_____ The Long Term Tax Abatement falls under N.J.S.A. 40A:20-1 *et seq.*

(Date Received _____) (Date Approved _____)

STATUS: _____

Agreement for Payment in Lieu of Taxes*, (If applicable) **(For Preservation Loan projects, refer to the Preservation Program document checklist requirements.)**

(Date Received _____) (Date Approved _____)

STATUS: _____

Financing Commitments from Other Funding Sources (**List All**)

_____ Equity Commitments ()

_____ Construction Lender ()

_____ DCA Balanced Housing Funds: **Please contact Natasha Encarnacion, Housing Affordability Service ("HAS") Business Development Coordinator at NJHMF (609) 278-8834 for preparation of Developer's Rental Agreement, if applicable.**

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Executed Rental Assistance Agreements, (If applicable)
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Affirmative Fair Housing Marketing Plan* (*Not required for Special Needs projects, unless required by another Agency funding source.*)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Housing Resource Center (“HRC”) registration of project entity. For Multifamily residential rental projects (*Not required for Special Needs projects, unless required by another Agency funding source.*)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Confirmation of Availability of Utility Services (electric, gas, water, sewer)
(Letters should be within at least 6 months of anticipated Agency commitment, if applicable)

____ Letter from Utility Companies

____ Letter from Utility Company confirming that individual metering systems will be installed within a meter room in the building, if applicable to the project type.

____ Resolution from Municipal/County Authority, if applicable

____ NJ DEP Treatment Works Approval (Sewer), if applicable

____ Wetlands Approval, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Tax Credits Projects: For only those projects receiving both special needs financing and tax credits, an analysis conducted by the applicant’s accountant of anticipated project cash flow and residual value demonstrating a reasonable prospect of repayment of all loans. This analysis shall incorporate the same assumptions utilized in the cash flow proforma submitted in the application, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Tax Credits Projects: For only those projects receiving both special needs financing and tax credits, an opinion of tax counsel in support of the dollar amount of the eligible basis for the project set forth in the application. Attached to this opinion, and incorporated therein, shall be the accountant’s analysis referenced below, if applicable).

(Date Received _____) (Date Approved _____)

STATUS: _____

ENERGY STAR:

____ Pre-Construction Authorization Letter

Note: This documentation must be collected prior to commitment for projects that are not receiving construction financing from NJHMFA or will start construction

prior to closing on construction. Please contact the Green Homes Office for clarification.

(Date Received _____) (Date Approved _____)

STATUS: _____

TAX CREDITS GREEN POINT:

_____ **Pre-Construction Authorization Letter**

Note: This documentation must be collected prior to commitment for projects that are not receiving construction financing from NJHMFA or will start construction prior to closing on construction funding. Please contact the Green Homes Office for clarification.

(Date Received _____) (Date Approved _____)

STATUS: _____

CONSTRUCTION DOCUMENTS:

_____ **Detailed Scope of Work (Note: Any changes made to the scope of work must be approved by NJHMFA) For Preservation Loan projects, refer to the Preservation Program document checklist requirements.**

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ **Detailed Summary Trade Payment Breakdown on AIA Form 703 (Schedule of Values) signed by General Contractor and based on final Contract Documents. (NOTE: Any changes to the Trade Payment Breakdown must be approved by NJHMFA.)**

(Date Received _____) (Date Approved _____)

STATUS: _____

Architect/Engineer Documents:

_____ **Architect's Contract* (Alternatively, if use of an AIA form permitted, Agency Addendum to contract is required*)**

For Agency Bond or General Fund financing, Multifamily 5-25 or less bonded projects:

_____ Agency Form of Architect's Contract.

For Special Needs Only, Multifamily 5-25 units or less non-bonded projects:

_____ AIA Form of Architect's Contract. Agency Addendum must be submitted

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ **Construction Documents and Project Manual (in CSI format) must be submitted and Shall consist of Final (100%) Contract Documents showing all required construction details, cross-sections, and other information necessary to constitute a construction-ready set of project construction documents consistent with the construction contract**

and with all sheets bearing the same date. The drawing set must include, as a minimum:

- Approved Final Site Plans and Final Subdivision Plans (if applicable);
- Civil Engineering Drawings;
- Architectural Drawings;
- Mechanical/Electrical/Plumbing (MEP) Drawings;
- Structural Drawings;
- Fire Alarm/Suppression Drawings;
- All required construction details; and,
- A detailed project cost estimate by trade.

Prior to submittal of the final drawings, it is encouraged, but not required, to schedule a meeting with Technical Services' staff to review the information to be submitted in order to ensure that the documents will contain all the information required for approval.

Accompanying the construction drawings outlined above, one full-size paper set and one half size paper set, and electronic copies of the drawings on CD, there is to be a separate certification on Architect's letterhead bearing signature and seal stating:

This will certify that the accompanying drawings entitled “ ***PROJECT NAME*** ”, dated “ ***DATE OF LATEST REVISION*** ”, consisting of the documents set forth below, have been reviewed by this office and are complete, code compliant, consistent across the disciplines, and issued **for construction**.

____ **Drawing List**

List of submitted drawings, manuals, etc.

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Architect's Errors and Omission Policy/Certificate of Insurance (naming NJHMFA as Certificate Holder)**

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Geotechnical Engineering Report** (Soils Test), (If applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Survey** (2 Sealed Originals Certified to Sponsor, NJHMFA and Title Company)

A “Flood Elevation Certificate” on the DEP Form and certified by a professional should be submitted with the Survey.

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Certified Land Description**

(Date Received _____) (Date Approved _____)

STATUS: _____

Contractor Documents:

____ Executed Construction Contract (Agency Addendum* required)
(Note: Federal (Davis Bacon) prevailing wages must be paid for those projects receiving CDBG funds. Evidence of payment of Davis-Bacon wages must be included in the construction contract.)

For Agency Bonded or General Fund financing, Multifamily 5-25 or less bonded projects:

____ ***Agency Form of Construction Contract is required.***

For Special Needs Only, Multifamily 5-25 units or less non-bonded projects:

____ ***AIA Form of Construction Contract is required with Agency Addendum attached.***

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Evidence of ability to obtain 100% Payment & Performance Bond (With Sponsor and NJHMFA as Obligees) (Sponsor may provide 10% Letter of Credit or 30% Warranty Bond in lieu of Payment and Performance Bond) ***Note this guarantee will be required to exist for a period of two years post construction completion as determined by the Certificate of Occupancy date or Architect's Certificate of Substantial Completion, whichever is later. For Special Needs projects, refer to Special Needs Program document checklist requirements.***

(Date Received _____) (Date Approved _____)

STATUS: _____

NJHMFA (All documents in this section will be prepared or obtained by NJHMFA):

____ Appraisal/Market Study
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Updated Appraisal/Market Study
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Board Resolution Authorizing Mortgage Commitment and Commitment Proforma/Cash Flow (Agency Form 10)*
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Commitment Letter and Indemnification Deposit (Commitment Letter to be executed by Sponsor and returned with Deposit within 10 days of mortgage commitment)*
(Date Received _____) (Date Approved _____)
STATUS: _____

- ____ Board Resolution Authorizing Mortgage Re-Commitment and Re-Commitment Proforma/Cash Flow (Agency Form 10)*
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Re-Commitment Letter and Re-Commitment Fee (Re-Commitment Letter to be executed by Sponsor and returned with Fee within 10 days of mortgage re-commitment)*
(Date Received _____) (Date Approved _____)
STATUS: _____

III. ADDITIONAL REQUIREMENTS FOR INCLUSION IN A BOND SALE or FOR INTEREST RATE LOCK

NOTE: *If the project will not receive bond funds or an interest rate lock, the following items will be required for closing in addition to the items noted in Section IV of this checklist.*

SPONSOR:

- ____ Current Operations Agreement for: (Check Which Applies)
 ____ Sponsoring Entity (By-laws: Corporation; Partnership Agreement: Limited Partnership; Operating Agreement: Limited Liability Company) Must contain NJHMFA statement – see end of checklist for language.
 ____ General Partner or Managing Member of Sponsoring Entity (Must contain NJHMFA Statement)
 (Date Received _____) (Date Approved _____)
STATUS: _____
- ____ DRAFT Operating Agreement with all Exhibits attached for Sponsoring Entity as it will exist once Limited Partner investor/Investor Member is included. Must contain NJHMFA Statement – see end of checklist for language)
 (Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Also need for General Partner/Managing Member if not same as original sponsoring entity.
 (Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Certificate of Good Standing, from State of Formation, for Sponsoring Entity and All General Partner(s) or Managing Member(s) and for Limited Partner(s), Current within six (6) months of estimated **bond sale date**
 (Date Received _____) (Date Approved _____)
STATUS: _____
- ____ New Jersey Secretary of State Authorization to do Business in New Jersey for any Out-of-State Sponsoring Entity

(Date Received _____) (Date Approved _____)

STATUS: _____

____ TEFRA Certification (TEFRA Sheet) (tax-exempt projects only)*
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Evidence of Availability of Tax Credits
____ 42M Letter (for projects using tax-exempt financing) OR
____ Reservation Letter (for projects awarded competitive tax credits)
____ Carryover Allocation or Binding Forward Commitment or 8609
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Evidence of Perfection of Subdivision (recorded subdivision deeds or filed subdivision map), if applicable.
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Copies of Loan Documents from Construction Lender
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Title Insurance Commitment and Title Related Requirements (updates required for closing)
Commitments needed for each Agency or Agency administered loan closing. For Special Needs project receiving Grant financing or HUD 811 funds, see Special Needs Document Checklist for title requirements.

NOTE: Affirmative insurance required for any exceptions in commitment that will remain at the time of closing.

____ Tax Search
____ Assessment Search
____ Municipal Water/Sewer Utility Search
____ Evidence of payment of taxes, if applicable
____ Evidence of payment of utilities, if applicable
____ Judgment Search
____ Sponsoring Entity
____ General Partner(s)/Managing member(s)
____ Corporate Status and Franchise Tax Search, if applicable
____ Tidelands and Wetlands Search
____ Flood Hazard Area Certification
____ Closing Protection Letter for Title Officer Attending Closing
____ Survey Endorsement insuring final survey without exceptions
____ Title Rundown Confirmation (in writing)
____ Copies of All Instruments of Record
____ First Lien Endorsement, (and/or Second Lien, etc.,) if applicable
____ Environmental 8.1 Endorsement
____ Evidence of payment of current condominium fees/assessments, if applicable
____ Arbitration Endorsement

Additional Endorsements as may be required depending on project type :

_____ ALTA 13.1 - Leasehold endorsement, if applicable

_____ ALTA 9 – Restrictions, Encroachments, Minerals, if applicable

_____ ALTA 18 Multiple Parcels Endorsement (if scattered site project)

_____ ALTA 5.1 – Planned Unit Development, if applicable

_____ Condominium Endorsement, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Cash or Letter of Credit for Negative Arbitrage and/or Cost of **(at time of Bond Sale Only)**

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Owner's Tax Certificate (Applicable to Tax-Exempt Bond Financing Only) (original to go to Bond Counsel with copy to the Agency)

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Attorney Opinion Letter (for bond sale, **for rate lock if rate lock occurs outside of bond sale**; additional opinion required for permanent loan closing)

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Final Site Plan Approval, (If applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

Contractor Documents:

_____ **Contractor's Liability Insurance Certificate (Naming Sponsor as Additional Insured)**

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ **Construction Contract (Agency Addendum* required) if not previously provided or if changed from first contract submitted.**

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ **Building Permits (or letter from municipal building department that building permits will be issued but for payment of permit fee.)**

(Date Received _____) (Date Approved _____)

STATUS: _____

NJHMFA (All documents in this section will be prepared by NJHMFA):

_____ Bond Letter with Bond Proforma/Cash Flow (Agency Form 10)*

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Permanent Financing Agreement*
____ Rate Lock Addendum*, if applicable
____ Satisfaction of Agency Board Commitment Conditions, if any, unless specifically noted as loan closing requirements.
(Date Received _____) (Date Approved _____)
STATUS: _____

All numbers, including draw schedules and a final Form 10 must be completed no later than 72 hours prior to closing. In the event the numbers, draw schedule, or any other numbers change within 72 hours of the scheduled closing, then the closing will be rescheduled.

IV. CLOSING REQUIREMENTS (All items due two weeks before closing is anticipated, unless otherwise noted.)

SPONSOR:

____ Satisfaction of Agency Board Commitment Closing Conditions, if any
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Guaranty for loan repayment during construction period, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____

____ For Scattered Site projects only: Guaranty for loan repayment for Scattered Site Projects, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Certificate of Formation for LIHTC equity investor member entity
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Certificate of Good Standing from state of formation **for LIHTC investor** member, Current within six (6) months of estimated closing date
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Final Executed Operations Agreement with all Exhibits attached for Sponsoring Entity and General Partner(s) or Managing Member(s) (As Applicable)
____ Partnership Agreement (LP) with HMFA Statement
____ Operating Agreement (LLC) with HMFA Statement
____ By Laws (Corporation) with HMFA Statement (**HMFA Statement required for sponsoring entity only**)
(Date Received _____) (Date Approved _____)
STATUS: _____

- ____ Owner's / Developer's Commercial General and Umbrella Liability Insurance Certificate and Policies (Naming NJHMFA as additional insured and First Mortgagee) meeting NJHMFA Insurance Requirements
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Flood Insurance Certificate and Policy, if applicable (naming NJHMFA as First Mortgagee, Additional Insured and Loss Payee)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Insurance Policy (naming NJHMFA as First Mortgagee, Lender Loss Payable and Additional Insured) – original policy with paid receipt evidencing payment of all premiums for first year in advance; must meet NJHMFA insurance specifications. **PLEASE NOTE: The Agency's Insurance Division requires a full 30 days to review insurance submissions. Please keep this in mind when anticipating a closing date. (Note that an insurance certificate is not sufficient to meet this requirement. If a full insurance policy is temporarily unavailable, closing may occur if a letter is submitted from the insurance provider (not the broker) confirming that the insurance agent has the authority to bind the provider insuring the project under the Cert. of Insurance.)**
A.M. Best Rating for Surety Provider: _____
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Development Cost or Tax Credit Audit, or audit document as otherwise approved by the Agency (may apply to Special Needs Projects)
Required 6 weeks prior to anticipated closing date.
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Filed Notice of Settlement (copy of filed Notice; Notice valid for 45 days)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Deed Evidencing Title in Sponsor's name, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Seller's Affidavit of Title and Corporate Resolution to sign Loan Documents, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Mortgagor's Affidavit of Title*
(Date Received _____) (Date Approved _____)
STATUS: _____

- ____ Resolution to Borrow*
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Counsel Opinion from Sponsor's Attorney* **for permanent loan closing**
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Payoff Letter for any Mortgages or other liens to be discharged along with wiring instructions for payoff
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Closing Bills: invoices for payment; paid invoices and cancelled checks (for reimbursement)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ New Jersey Division of Taxation Tax Clearance Certificate
(As of January 28, 2008, all entities receiving financing from a state agency must submit an application for tax clearance with the Division of Taxation. Project sponsors should obtain the application form from the HMFA paralegal assigned to their project and submit the application to the Division of Taxation no more than 90 days prior to anticipated closing. The Division of Taxation will issue a Certificate of Approval directly to HMFA, which will be valid for a period of 90 days. After 90 days, an updated application must be submitted. Please note as of March 1, 2009, a fee of \$75.00 must be paid to the Division of Taxation for the processing of all applications. The \$75.00 will cover updates provided they are requested within one year of the payment of the fee Applications requiring expedited processing will pay a fee to Taxation of \$200.00)
Date of Clearance: _____ *(Valid for 90 days)*
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ W-9 Escrow Account forms* for Borrower/Project Entity/Buyer **and** for each vendor
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Housing Resource Center ("HRC") registration of project – For Multifamily Residential Rental Projects *(Not required for Special Needs projects, unless required by another Agency funding source.)*
(Date Received _____) (Date Approved _____)
STATUS: _____

Architect/Engineer Documents:

- ____ **Final As-Built Contract Drawings and Specifications including As-Built Drawings**
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Evidence of completion of Environmental Remediation Plans, if applicable
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Architect's Certificate of Substantial Completion with punchlist, *if applicable*.
DATE OF SUBSTANTIAL COMPLETION: _____

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Architect's Letter certifying all warranties and maintenance manuals were delivered
to Project Sponsor

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Street Vacation Ordinances (Resolution with Proof of Publication), (If applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Final As-Built Survey (2 sealed originals, certified to Sponsor, NJHMFA and Title
Company) showing As-Built condition of property

(Date Received _____) (Date Approved _____)

STATUS: _____

Contractor Documents:

____ Termite Certification (for rehab) or Certification from Contractor that Treated Lumber
will be Used (for New Construction)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Final Release and Waiver of Liens and Affidavit of General Contractor*, including
Schedule "A" – Verified List of Subcontractors

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Releases* from all Subcontractors (all subcontracts valued at \$10,000 and/or above)
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Certificate of Occupancy covering all units, as applicable

DATE OF CERTIFICATE OF OCCUPANCY: _____

(Date Received _____) (Date Approved _____)

STATUS: _____

____ 100% Payment and Performance Bond naming Sponsor and NJHMFA as Obligee*
(Required for Agency Construction Financing. For Agency Permanent Financing,
Sponsor has the option of providing a 10% Letter of Credit or 30% Warranty Bond in

lieu of Payment and Performance Bond) *Note this guarantee will be required to exist for a period of two years post construction completion as determined by the Certificate of Occupancy date or Architect's Certificate of Substantial Completion, whichever is later. BOND IS TO STATE THE NAME OF THE PROJECT, HMFA #, STREET ADDRESS AND LOT/BLOCK DESIGNATION ON FIRST PAGE. For Special Needs projects, refer to Special Needs Program document checklist requirements.*

(Date Received _____) (Date Approved _____)

STATUS: _____

MANAGING AGENT DOCUMENTS: *These items are due to the Agency at least thirty (30) days prior to any anticipated closing.*

____ Management Agreement Package* (as applicable)
(forms available on NJHMFA website: www.state.nj.us/dca/hmfa)

____ Self-Managed (NJHMFA form MD 103.2)

____ Broker Managed (NJHMFA form MD 103.1)

For Special Needs projects, refer to Special Needs Program document checklist requirements.

(Date Received _____) (Date Approved _____)

STATUS: _____

NJHMFA:

____ Closing Proforma (Agency Form 10)*

____ Final Sources and Uses Acknowledgement

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Closing Statement and Check Register

(Date Received _____) (Date Approved _____)

STATUS: _____

____ NJHMFA Determination as to Project Cost and Completion*

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Loan Documents*, if applicable, for Permanent loan closing, if Agency or Agency administered construction financing has already closed. *(For any additional Agency financing programs, refer to program specific checklist for additional loan documents required.*

____ Financing, Deed Restriction and Regulatory Agreement

____ Mortgage Note

____ Mortgage & Security Agreement

____ Assignment of Leases

____ UCC-1 Financing Statement

____ Assignment of Syndication Proceeds signed by Investor and Sponsor, if applicable

___ Disbursement Agreement, if applicable
___ Escrow Closing Agreement, if applicable
___ Tax Credit Deed of Easement and Restrictive Covenant, if applicable
___ Errors and Omissions Statement
___ Other: _____
(Date Received _____) (Date Approved _____)
STATUS: _____

___ Tax Credits:
___ Written confirmation that all requirements for Tax Credits have been received.
This includes payment of all required fees.
(Date Received _____) (Date Approved _____)
STATUS: _____

V. POST CLOSING

___ Title Policy
For Special Needs projects receiving a Grant, a copy of the loan policy issued to HUD or other first mortgage lender is acceptable.
(Date Received _____) (Date Approved _____)
STATUS: _____

___ Recorded
(Date Received _____) (Date Approved _____)
STATUS: _____

___ Sponsor and NJHMFA Agreement as to Equity Base, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____

ENERGY STAR:

___ Copy of rebate check issued for Energy Star Certification
(Date Received _____) (Date Approved _____)
STATUS: _____

___ HERS Rater Contract (Tax Credits or FRM Financing)
(Date Received _____) (Date Approved _____)
STATUS: _____

TAX CREDITS GREEN POINT:

___ Copy of LEED Certificate
(Date Received _____) (Date Approved _____)
STATUS: _____

NJHMFA Provisions to By-Laws of Corporation:

The Corporation acknowledges that any review of the provisions of these By-Laws by the New Jersey Housing and Mortgage Finance Agency ("NJHMFA") is performed in accordance with its responsibility as Lender and is intended only to assure that the Corporation is validly formed according to law, with the legal authority to borrow the funds which will constitute the NJHMFA Mortgage Loan and to operate the Property securing the NJHMFA Mortgage Loan. Notwithstanding any other provisions herein, the Corporation acknowledges and agrees that as a condition of obtaining the NJHMFA Mortgage Loan, that the NJHMFA statutes, rules and regulations and all the financing documents in connection with the NJHMFA Mortgage Loan, are applicable to the Corporation and the Property securing the NJHMFA Mortgage Loan. The Corporation further acknowledges that, except as contained in this Section, the NJHMFA makes no representations express or implied, as to these By-Laws; and the Corporation and the Shareholders shall not rely upon the NJHMFA review of these By-Laws.

HMFA Provisions to Partnership Agreements:

The Partnership acknowledges that any review of the provisions of this Agreement by the New Jersey Housing and Mortgage Finance Agency ("NJHMFA") is performed in accordance with its responsibility as Lender and is intended only to assure that the Partnership is validly formed according to law, with the legal authority to borrow the funds which will constitute the NJHMFA Mortgage Loan and operate the Property securing the NJHMFA Mortgage Loan. Notwithstanding any other provisions herein, the Partnership acknowledges and agrees that as a condition of obtaining the NJHMFA Mortgage Loan, that the NJHMFA statutes, rules and regulations and all the financing documents in connection with the NJHMFA Mortgage Loan, are applicable to the Partnership and the Property securing the NJHMFA Mortgage Loan. The Partnership further acknowledges that, except as contained in this Section, the NJHMFA makes no representations express or implied, as to this Agreement; and the Partnership and the Partners shall not rely upon the NJHMFA review of this Agreement.

NJHMFA Provisions to Operating Agreement of Limited Liability Company (L.L.C.):

The Company acknowledges that any review of the provisions of this Operating Agreement by the New Jersey Housing and Mortgage Finance Agency ("NJHMFA") is performed in accordance with its responsibility as Lender and is intended only to assure that the Company is validly formed according to law, with the legal authority to borrow the funds which will constitute the NJHMFA Mortgage Loan and to operate the Property securing the NJHMFA Mortgage Loan. Notwithstanding any other provisions herein, the Company acknowledges and agrees that as a condition of obtaining the NJHMFA Mortgage Loan, that the NJHMFA statutes, rules and regulations and all the financing documents in connection with the NJHMFA Mortgage Loan, are applicable to the Company and the Property securing the NJHMFA Mortgage Loan. The Company further acknowledges that, except as contained in this Section, the NJHMFA makes no representations express or implied, as to this Operating Agreement; and the Company and the Members shall not rely upon the NJHMFA review of this Operating Agreement.

Technical Services Requirements for Monitoring Project Construction

Whether the HMFA is making a permanent take-out loan or a construction and permanent loan, it requires that its Technical Services Division monitor the construction of the project. Listed below are the HMFA requirements please read carefully and be prepared to provide the necessary documentation and co-operation.

Contract Documents

Those documents that comprise a construction contract, the owner/developer-contractor agreement, conditions of the contract (general, supplementary, and other conditions), plans and specifications, all addenda, modifications, and changes thereto, together with any other items stipulated as being specifically included.

Architect's Contract

That document that outlines the performance of architectural services, including analysis of project requirements, creation and development of the project design, preparation of drawings, specifications, and bidding requirements and the general administration of the construction contract. As the owner/developer's representative, the design professional should participate in the process by observing and administering the contract for construction including job site inspection, attendance at job site meetings, the creation of meeting minutes, shop drawing review, change order review, punch list inspections and so on.

Summary Trade Payment Breakdown

This document divides the total cost of construction, as established by the construction contract, into various segments related to a specific trade. This "breaking down" of the total cost of construction is reflected on the application for payment and simplifies the determination of a percentage of work complete for the purpose of making payments to the contractor.

Detailed Trade Payment Breakdown

This document further divides and refines the Summary Breakdown above into its constituent parts. For example, the plumbing line on the summary breakdown would be further developed to show its component parts including potable and nonpotable water piping, sanitary piping, gas piping, toilet and bath fixtures, kitchen fixtures, and so on. This detailed information further enhances our ability to review project costs as well as to determine a percentage of work complete for the purpose of making payments to the contractor.

Shop Drawings

These documents can be drawings, diagrams, illustrations, schedules, performance charts, brochures, and other data prepared by the contractor or any subcontractor, manufacturer, supplier, or distributor, which illustrate specific portions of the work and how they will be fabricated and installed. The contract documents usually allow for a number of choices in many portions of the work. The shop drawings are the approved choice of the owner/developer and their professional and consultants and become the reference for Agency inspections during construction.

Payment Requisitions

The contractor prepares the application according to the approved Summary Trade Payment Breakdown or Schedule of Values. The contractor submits it to the design professional for approval. The design professional reviews the application in light of his/her own observations and records and certifies an amount that he/she feels is appropriate. If the HMFA is providing construction financing, then the application for payment is reviewed and approved by a Field Representative and the Director of Technical Services. Otherwise, the requisition is provided for information purposes only.

Change Orders

A written order to the contractor signed by the owner and the architect, issued after the execution of the contract, authorizing a change in the work and/or an adjustment in the contract sum. These changes may add to, subtract from, or vary the scope of the work. Change orders may also be used to adjust the contract time as originally defined by the contract documents. If the Agency is providing construction financing, then change orders are approved by a Field Representative and the Director of Technical Services. Otherwise, any change orders are provided for informational purposes only.

Drawing Revisions and/or Clarification Sketches

The design professional, as the author of documentation that delineates the final design of the project, is the appropriate administrator of decisions regarding their interpretation. Often, this interpretation and clarification is provided to the contractor in the form of revised drawings with "clouded" areas or by providing smaller sketches which clarify missing or confusing details. These documents enhance or build upon the contract documents and should be provided to the Agency for informational purposes and for use by field staff during project inspection.

Prevailing Wage Reports

If the HMFA is providing construction financing the contractor and its subcontractors are required to submit certified payroll reports to the Director of Technical Services. These reports will be compared to the prevailing wage within the contract documents. Otherwise, these documents are not required.

Administrative Questionnaires

If the HMFA is providing construction financing, the contractor and its subcontractors are required to complete and submit personal and corporate questionnaires. Otherwise, these documents are not required.

Subcontracts over \$25,000.

If the HMFA is providing construction financing, the contractor is required to submit fully executed subcontracts in excess of \$25,000. Those documents will be reviewed by the Director of Technical Services for compliance with the contract documents. Otherwise, these documents are not required.

Preconstruction Meeting

A meeting should be held prior to the notice to proceed being issued. These meetings provide an opportunity to clear up any unfulfilled requirements, define the role of the various members of the construction team, as well as simply providing everyone a chance to get acquainted. Many loose ends can be tied up in a timely manner at these meetings and they are highly recommended.

Notice to Proceed

This document is a written communication issued by the owner to the contractor authorizing him/her to proceed with the work. This notice establishes the date of commencement of the work and is directly related to the contractor's time of performance and the assessment of damages and/or delay claims, if applicable. The start date is necessary to create a production schedule and to monitor the contractor's performance and its compliance with the contract documents.

Construction Schedule

The construction schedule sets forth the contractor's estimate of the completion of the project. One of the functions of this document should be to indicate the approximate degree of completion that the owner and lender can expect at each application for payment. In those instances when the Agency is providing permanent financing, the schedule provides insight regarding date of closing, the need to recommit, or the date of occupancy.

Minutes of Meetings

A record of meetings between the parties to the contract is a very important resource. During job meetings discussions can cover a wide range of topics including quality and quantity of work performed to date, change orders, requests for clarification by the contractor to the professional or owner, delays, payments, and so on.

Technical Services routinely receives them for construction financed projects and should receive them on all of our permanent financed deals, as well.

Architect's Field Report

AIA Document G711 is designed to document the design professional's compliance with the duty of periodic job site inspections. [The Professional may choose to use his/her own form.] These inspections may identify problems with the work and certain corrective actions to be taken ultimately leading to the issuance of Supplemental Instructions.

Bank Inspector's Report

If a lender other than the Agency makes construction inspections, Technical Services would like to be provided copies of these reports for our review and possible comment.